



CITY OF HOUSTON

Finance Department
Strategic Purchasing Division

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May 7, 2014

Subject: Letter of Clarification No. 5 to Invitation to Bid No. S12-S24962 Chemical, Fine Quicklime and Calcium Hydroxide Slurry for the Public Works and Engineering Department

To: All Prospective Bidders:

This letter of Clarification is being issued for the following reasons:

1} To revise the above referenced solicitation as follows:

- **The bid opening time and date are hereby changed from 10:30 A.M., May 8, 2014 to 10:30 A.M., May 15, 2014.**
- Remove pages 6, 11, 15, 16, and 20 thru 22 of 29 and replace with the attached pages 6, 11, 15, 16, and 20 thru 22 of 29, marked, **REVISED 05/05/2014.**
- To answer the following questions:

1. Question: *"The current supplier still has a contract with the City of Houston and does not expire for another 2 years. Why is this item re-bidding??"*

Answer: "It was determined that market conditions dictated the re-bidding of this agreement."

2. Question: *"Who is the 'supplier' as stated in the bid? Who is the vendor as stated in the bid??"*

Answer: "Supplier and vendor, as denote in the bid document, pertain to the awarded/successful bidder after City Council approval."

3. Question: *"Are the drivers required to have TWIC cards to enter into the water treatment plant facilities?"*

Answer: "No, TWIC cards are for federal operations. The City has its own security protocol that the Supplier will be required to adhere to."

Partnering to better serve Houston

Council Members: Brenda Stardig Jerry Davis Ellen R. Cohen Dwight A. Boykins Dave Martin Richard Nguyen
Oliver Pennington Edward Gonzalez Robert Gallegos Mike Laster Larry V. Green Stephen C. Costello David W.
Robinson Michael Kubosh C.O. "Brad" Bradford Jack Christie
Controller: Ronald C. Green

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4. Question: *"Regarding section C, item 4.0 "Price Adjustments for lime items 1 & 2" what is the determination of the Price Adjustment for the product? Can this price adjustment formula be changed?"*

Answer: "Sub-section 4.1.4 states that the bid price is the fixed price for the first three months after bid opening. The vendor can request price increase/decrease after those three months based on the PPI, Natural Gas, and Diesel prices that are referenced in 4.1.1-4.1.3. If the vendor has a different formula or if the percentages need to be changed, they may submit its recommendation(s) to SPD for review five (5) days before the bid due date."

5. Question: *"Item 10.0 of section C...is there a list of items specified that contain heavy metals that CANNOT be used?"*

Answer: "No. The City does not have a list. Standard ANSI and NSF Requirements and Protocols are to be followed. The product specifications make allowances for Arsenic, Cadmium, Lead, Nickel, Zinc and Mercury in acceptable ranges as specified in Section B, Technical Specifications: Section 4.3."

6. Question: *"You state on page 6 of 28 in "Stocks and Warehouse Facilities" that "...having, in stock, a storage capacity of two(2) weeks supply of fine quicklime and calcium hydroxide slurry for each of the two (2) locations?"*

- a. *What two (2) locations?*
- b. *Does "having stock, a storage capacity of two (2) weeks supply" pertain to the company awarded the contract?*

Answer: "6a - This section refers to Wastewater Operation Facilities and Drinking Water Facilities. See the aforementioned "revised" clarification pages for resolution of any ambiguities caused in the current wording.

6b – Yes, the award will only be made to a company that can have a minimum of two weeks supply available within 24-48 hours of need."

- **Due to the aforementioned change(s) to the e-bidding items you may need to edit your bid. To do so, please select the "Bid Number" and proceed accordingly.**

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When issued, Letter(s) of Clarification shall automatically become a part of the solicitation documents and shall supersede any previous specification(s) and/or provision(s) in conflict with the Letter(s) of Clarification. All revisions and answers incorporated into the Letter(s) of Clarification are collaboratively from both the Strategic Purchasing Division and the applicable City Department(s). It is the responsibility of the bidder/respondent to ensure that it has obtained all such letter(s). By submitting a bid on this project, bidders/respondents shall be deemed to have received all Letter(s) of Clarification and to have incorporated them into this solicitation and resulting bid.

Furthermore, it is the responsibility of each Contractor to obtain any previous Letter of Clarification associated with this solicitation.

Martin L. King

Martin L. King
Senior Staff Analyst
832-393-8705

A handwritten signature in blue ink, appearing to be 'M. King', is located to the left of the typed name and contact information.

STOCKS AND WAREHOUSE FACILITIES:

In order to receive bid award consideration, the Bidder shall maintain sufficient stock(s) to fulfill normal City of Houston requirements as set forth herein. Bidder must demonstrate that he is able to secure all required product within a 24-hour period, and demonstrate access to sufficient production capacity to provide uninterrupted supply of fine quicklime and calcium hydroxide slurry solution during periods of peak usage.

An inspection may be made to determine whether bidder actually has access to sufficient capacity and stock. Adequate stock inventory and production capacity shall be considered a factor in determining award. Adequate is defined as having, in stock, a storage capacity of two (2) weeks supply of fine quicklime and calcium hydroxide slurry for each Water Purification and Wastewater Facility supplied.

Bidder must demonstrate he is able to secure all required product within a 48 hour period.

SITE VISIT:

When deemed necessary an inspection may be made by the Public Works & Engineering Department (PWE) to determine whether a bidder actually has a facility at the location they have listed in the bid document.

**SECTION B.
TECHNICAL SPECIFICATIONS
FOR
CHEMICAL, FINE QUICKLIME AND CALCIUM HYDROXIDE SLURRY**

1.0 GENERAL TECHNICAL SPECIFICATIONS FOR LINE ITEM NOS. 1 & 2:

- 1.1 All chemicals used in the treatment of water supplied by public water systems must conform to Standard 60 & 61 of the American National Standards Institute/National Sanitation Foundation (ANSI/NSF) for direct additives. The awarded vendor shall absolutely be required to furnish evidence of compliance prior to the City's acceptance of any material. Failure to obtain certification shall subject the awarded bid to immediate termination.
- 1.2 It is stressed that application with ANSI/NSF is sufficient to submit a bid for bid award consideration, but Certification of Compliance shall be required before any material will be accepted. Vendor's inability to comply and provide material under the terms of the bid awarded shall be grounds for the immediate termination of the bid award.

2.0 MATERIALS SPECIFICATIONS FOR LINE ITEM NOS. 1 & 2:

The materials supplied under these specifications shall contain no mineral or organic substances in quantities capable of producing deleterious or injurious effects upon the health of those consuming the water which has been treated with it, and shall in all respects meet the minimum standard specifications of the American Water Works Association for materials used in the purification of municipal water supplies, or as outlined in these specification for lime (A.W.W.A Specifications B202-93). Only lime produced from high calcium content limestone will be accepted. No by-product lime will be accepted. Bidders shall provide a statement along with their bid as to the source of their proposed lime.

3.0 CALCULATIONS AND BILLING FOR LINE ITEM NO. 2:

The billing for each load of hydrated lime delivered is to be based upon trip tickets prepared by the Contractor and approved by the City including a description of the container number and its capacity in dry tons (dry lime-calcium hydrated) of LSS. Actual amount of dry lime for each delivery shall be calculated as follows:

Total pounds delivered X Total suspended solids* (% of $\text{Ca}(\text{OH})_2$ Solids) = Pounds of dry lime

*Total suspended solids for each delivery shall be determined in an appropriate manner by Contractor of City, subject to confirmation by City, at its election.

Total pounds delivered means the "Exact amount of lime slurry unloaded will be determined by weighing each delivery transport, loaded and emptied on a certified public scale. Scale tickets must accompany each invoice."

13.0 SILENCE OF SPECIFICATIONS:

The apparent silence of these specifications as to any detail, or the apparent omission from it of a detailed description concerning any point, shall be regarded as meaning that only the best commercial practice is to prevail and that only material and workmanship of the finest quality are to be used. All interpretations of these specifications shall be made on the basis of this statement.

14.0 SPECIFIED MATERIAL, OR EQUIVALENT:

14.1 Wherever in the specifications any materials or processes are indicated or specified by patent of proprietary name and/or by name of manufacturer, such specifications shall be deemed to be used for the purpose of facilitating descriptions of the performance, materials and/or processes desired and shall be deemed to be followed by the words, "or equivalent", if not so stated in the specifications herein.

14.2 The burden of proof shall rest with the Bidder, in the course of a technical evaluation, to prove that the proposed item(s) are equivalent to the performance, materials, processes, or articles specified. DETERMINATION AS TO WHETHER THE ITEM(S) BID IS(ARE) EQUIVALENT TO THAT SPECIFIED SHALL REST SOLELY WITH THE CITY PURCHASING AGENT AND THE RECEIVING DEPARTMENT.

15.0 BIOSOLIDS PROGRAM

Biosolids Management Program (BMP) participation shall be provided as requested by the City and at no additional cost to the City. The Supplier shall work in cooperation with the City's National Biosolids Partnership BMP and Recognition/Certification efforts. This shall include, but not be limited to, participation in the annual Plan-Do-Check-Act process (such as participation in implementation team meetings as required, setting annual goals and objectives, training presentations, monitoring and measurement, nonconformance/corrective action processes, preparing operational controls such as standard operating procedures, and preparing annual program reports), participation in annual internal audits, and participation in periodic external audits. The BMP is a continuous improvement program conducted by the City.

SECTION C

**GENERAL TERMS AND CONDITIONS FOR
CHEMICAL, FINE QUICKLIME AND CALCIUM HYDROXIDE SLURRY FOR THE
PUBLIC WORKS AND ENGINEERING DEPARTMENT**

1.0 TERM OF AWARD:

- 1.1 The term of award shall be for a sixty (60) month period beginning on the date specified in the Notice of Award letter. During this period, purchase orders will be issued for items as needed. Any conflict between the terms and conditions as specified herein and said purchase orders; the term and conditions of the solicitation shall govern. The Supplier will not provide any goods/services without first having received an official City of Houston purchase order. While it is the intent to procure goods/services by issuing an Official City of Houston Purchase Order, there will be instances when a Purchasing Card (P-Card) or Petty Cash may be used. **The City requires that the prices awarded be honored on all purchases.**
- 1.2 It is emphasized that the City of Houston does not guarantee to purchase any specific quantity of any item listed; rather, the quantities may vary depending upon the actual needs of the user departments. Supplier shall remain obligated to the City under all clauses of this award that expressly or by their nature extend beyond and survive the expiration or termination of the award, including but not limited to warranties and indemnity provisions hereof.

2.0 SUPPLIER'S DUTY TO PAY:

Supplier shall make timely payments to all persons and entities supplying labor, materials or equipment for the performance of this award. Supplier agrees to protect, defend, and indemnify the City from any claims or liability arising out of Supplier's failure to make such payments. (Disputes relating to payment of MWBE subcontractors shall be submitted to arbitration in the same manner as any other disputes under the MWBE subcontract. Failure of the Supplier to comply with the decisions of the arbitrator may, at the sole discretion of the City, be deemed a material breach leading to termination of this award).

3.0 OPTIONAL EXTENSION:

- 3.1 Subject to the availability of funding, this Award may be extended on a month-to-month basis upon acceptance of the Supplier beyond the initial awarded term. A price increase, subject to the provisions of the Award, may be requested by the supplier for approval by the City Purchasing Agent at this time. If the price increase is approved by the City Purchasing Agent or if no price increase is requested, a letter of extension will be issued by the City Purchasing Agent for the Supplier's acceptance under the same terms and conditions as the existing award.

4.0 PRICE ADJUSTMENT FOR LINE ITEMS 1 & 2:**4.1 Quarterly Price Adjustment Formula for Line items 1 & 2:**

- 4.1.1 The price of diesel will be based on published prices from the U.S. Department of Energy, Energy Information Administration (On-highway diesel prices, by week and PADD, Gulf Coast).
- 4.1.2 The price of natural gas will be based on published prices from NYMEX (Henry Hub Natural Gas Futures
- 4.1.3 The Producer Price Index will be based on Series ID #32741 (Industry Data, Lime Manufacturing).
- 4.1.4 The bid price is also the original contract price and will be in effect from the day of bid opening until the 10th of the following third calendar month. The new price will be:

$$\underline{[(\text{old Price} * 0.4) * (D2/D1)] + [(\text{old Price} * 0.3) * [(NG2/NG1)] + (\text{old Price} * 0.3) (PPI2/PPI1)]}$$

12.0 DELIVERY:

- 12.1 The Supplier agrees to make deliveries only "**after**" receipt of duly signed and approved Purchase Orders issued by the City of Houston, "**and only after ordered by an authorized representative of the user department.**"
- 12.2 Unless otherwise stated in the Bid Form or Specifications, deliveries must consist only of new and unused merchandise.
- 12.3 Full tare must be allowed and no charges made for packages.
- 12.4 In the event that the deliveries of the supplies covered in the proposal are not made within the number of days specified, or in the event that the supplies delivered are rejected, and are not removed and replaced within the number of days specified in the official notice of rejection, the City reserves the right to terminate. The defaulting Contractor/Supplier will be deemed non-responsible and will be disqualified from bidding on the contract if it is re-let by the City within ninety (90) days of such termination.
- 12.5 The Bidder must demonstrate its ability to secure and deliver any item within five (5) working days. Forty-eight (48) hour delivery services may be required in some instances; therefore, the Bidder must be able to provide such service.
- 12.6 Deliveries shall be made to the Houston Water Purification Facilities at Federal Road, Clinton Drive, Genoa Red Bluff, the Northeast Water Purification Facility and any other location that may become necessary during the life of the contract. All locations are within the Houston City Limits. Deliveries shall be made at such intervals as required against purchase orders issued by the Purchasing Agent. It is the responsibility of the **Contractor** to ensure that the carrier has all necessary equipment such as tools, fitting, hoses, coupling, and off-loading equipment to effect a safe and timely unloading so as not to disrupt routine Purification Plant operations. **Contractor** will ensure that carrier vehicles are equipped with a suitable vehicle mounted pump and/or air source to allow for product offloading. The City of Houston's chemical offloading equipment is to be used as backup or emergency use only. The City will not be responsible for demurrage charges resulting from use of City offloading equipment in lieu of adequate carrier offloading equipment. **Contractor** assumes responsibility and liability for damage to any City property, including but not limited to chemical offloading equipment, gates, vehicles, concrete, and storage tanks.

12.6.1 Deliveries shall be made to the Wastewater and Water Purification Facilities as follows:**Wastewater Facilities**

- Sims Bayou North Wastewater Treatment Plant Sludge Facility at 9570 ½ Lawndale, Facility No. 182, Key May 535-H

Water Purification Facilities

- East Water Purification Plant at 2300 Federal Road, Houston, Texas 77015
- South East Purification Plant at 3100 Genoa Red Bluff, Houston, Texas 77034
- North East Purification Plant at 12121 North Sam Houston Parkway East, Humble, Texas 77396

And any other wastewater or water purification facility that may become necessary during the life of the contract. All locations are within the City Limits.

- 12.6.2 Deliveries shall be made at such intervals as required against purchase orders issued by the Purchasing Agent. It is the responsibility of the Contractor to ensure that the carrier has all necessary equipment such as tools, fitting, hoses, coupling and off-loading equipment to effect a safe and timely unloading so as not to disrupt routine Purification Plant and Treatment Plant operations. Contractor will ensure that carrier vehicles are equipped with a suitable vehicle mounted pump and/or air source to allow for product offloading. The City of Houston's chemical offloading equipment is to be used as backup or emergency use only. The City will not be responsible for demurrage charges resulting from use of City offloading equipment in lieu of adequate carrier offloading equipment. Contractor assumes responsibility and liability for damage to any City property, including but not limited to chemical offloading equipment, gates, vehicles, concrete, and storage tanks.**

- 12.7 All chemical bulk deliveries shall be shipped in stainless steel or appropriately lined truck tank trailers. Prior to loading, the tanks, hoses, and discharge nozzles shall be thoroughly cleaned and inspected. Any necessary maintenance will be performed prior to shipment. Tank trucks shall adequately protect the material from weather and wastage in transport. All access points on the tank trucks will be secured with a locking device and a numbered tamperproof seal prior to leaving the manufacturer's facility. The Contractor will provide the tamper proof seal number to the facility contact prior to delivery. Loads that are unsecured, or have a broken, mislabeled, or missing seals will be rejected and returned to the Contractor at their expense. In the event that a load is returned for failure to meet security provisions, Contractor must provide a replacement load of product freshly loaded and sealed at the point of origin within 24 hours. The replacement load must be accompanied by proof that rejected load has not been resealed and returned, or commingled with original batch at the point of origin. Misrepresentation of replacement product or failure to follow these procedures may be grounds for termination of contract.
- 12.8 Delivery tickets must have a description of the product being delivered, company name, address, contact person's name, contact phone number, and be accompanied by a weight ticket showing Gross, Net, and Tare weights for each shipment. **All weights for bulk chemicals deliveries are to be determined at scales maintained at the Drinking Water Purification Facilities, or by other methods previously approved, in writing, by the Purchasing Agent and the User Department.** These scales meet Weights and Measures Standards through the N.I.S.T. Handbook 44. Weight of material delivered shall be determined by weighing the fully loaded truck on Water Purification scales before it is unloaded, and weighing the empty truck on the same scales after it is unloaded. The weight of the empty truck will be subtracted from the weight of the fully loaded truck to determine the actual weight of material delivered, and will be the weight used for billing purposes. The driver must be away from the scale during all weighing operations. If weights are subsequently approved at other than the Water Purification Facilities, such weights are subject to verification at the discretion of the City.

$$\text{Gross Weight (lbs) - Tare Weight (lbs) = Net Weight Delivered.}$$

2000

12.8.1 Delivery tickets must have a description of the product being delivered, company name, address, contact person's name, contact phone number, and be accompanied by a weight ticket showing Gross, Net, and Tare weights for each shipment.

12.8.2 All weights for bulk chemicals deliveries to the Water Purification Plants and used for billing purposes are to be determined at scales maintained at these Facilities, or by other methods previously approved, in writing, by the Purchasing Agent and the User Department. Weight of material delivered shall be determined by weighing the fully loaded truck on Water Purification scales before it is unloaded, and weighing the empty truck on the same scales after it is unloaded. The weight of the empty truck will be subtracted from the weight of the fully loaded truck to determine the actual weight of material delivered, and will be the weight used for billing purposes. The driver must be away from the scale during all weighing operations. If weights are subsequently approved at other than the Water Purification Facilities, such weights are subject to verification at the discretion of the City.

$$\text{Gross Weight (lbs) - Tare Weight (lbs) = Net Weight Delivered.}$$

2000

12.8.3 All weights for bulk chemicals deliveries to Wastewater Treatment Facilities and used for billing and payment purposes will be based on accurate gross and tare weights recorded on Texas Department of Agriculture (TDOA) Official Certificates (Customer copy) generated on a TDOA registered truck scale at a TDOA authorized Public Weigher facility (Reference Texas Administrative Code, Title 4, Part 1, Chapter 12 and Texas Agriculture Code, Title 2, Chapter 13). These scales meet Weights and Measures Standards through the N.I.S.T. Handbook 44. Gross and tare weight measurements shall be taken without the driver in the rig. The truck scale system shall be maintained by a TDOA licensed company per scale manufacturer and regulatory requirements, with consideration of the volume of traffic travelling across each truck scale. A copy of each load gross weight Official Certificate shall be given to the City employee responsible for receiving the load upon product delivery. A copy of each load tare weight Official Certificate shall be scanned and emailed to City-identified contacts within two working days of each delivery. All Official Certificates (gross and tare weight for each load) must be identified with at least; the associated Bill of Lading Number, the delivery ticket date, and the delivery site facility name and address. Costs associated with weighing each load shall be paid by the Supplier. The City may request submittal of current TDOA certificates and/or calibration certificates for each TDOA registered truck scale and TDOA authorized Public Weigher Facility used, at no additional cost to the City. The City may request additional copies of each Official Certificate, submitted to the City by the Public Weigher facility, at no additional cost to the City. The City reserves the right to verify the measured gross and tare weights using onsite City scales, at no additional cost to the City.

12.9 The Supplier's carrier and personnel must comply with site-specific training, regulations and personal protective equipment (PPE) requirements while at the plant. In addition, it will be the responsibility of the supplier's carrier to equip each vehicle entering the facility with appropriate PPE required for the safe offloading and spill cleanup of the product. The City reserves the right to request the Supplier to replace any delivery personnel who refuses to comply with City regulations and normal offloading procedures.

12.10 It is the responsibility of the Supplier to conduct security screening on all its agents, employees, delivery and support staff that may require access to the Water Purification and/ or Wastewater facilities. The Supplier shall provide Public Works & Engineering with a roster of these employees, and the roster must include the employee's full name, picture, and driver's license number. Rosters need to be sent to Yuliana Navarro (Yuliana.Navarro@houston.tx.gov) and courtesy copy Shandra Jones (Shandra.Jones@houston.tx.gov) and Tammy Spriggs (Tammy.Spriggs@houston.tx.gov) for clearance to enter onto the facilities. Any changes to the roster must be forwarded to the Public Works & Engineering immediately upon such changes. The Supplier will forward the name of the delivery driver to the Public Works & Engineering prior to each delivery via phone, e-mail, or fax. Shipments may be held at the security entrance to the facility pending proper driver identification and security clearance, with no demurrage charges incurred by the City. Failure to adhere to these security requirements will be considered a material breach and may be cause for termination of the contract.

12.11 Deliveries are to be made to the Water Purification and Wastewater Facilities between the hours of 7:30 AM and 3:00 PM. All deliveries are to be made Monday through Friday, with provisions to be made for deliveries on holidays, weekends, and/or periods of high product demand. Orders for these deliveries will be placed by phone, fax, or email. The order form will be signed by a designated City Representative placing the order and will contain the following information: O.A. Number, Purchase Order Number, Lime Product Number, Quantity, Facility Location or Destination, Hours during which delivery can be received, and required delivery date. The Supplier shall provide order confirmation documentation for each order by email to the City Representative within one working day of each order. The truck driver representing the Supplier shall notify a designated City Representative one hour in advance of delivery to any Water Purification Facility and Wastewater Facility with the exception of South East Water Purification Plant. At this facility, Supplier is only required to, and must fax all relevant paperwork one hour in advance of arrival of the delivery truck on site. For calls to the North East Purification Plant, Supplier must route all calls through control room at 832-395-3789. It is staffed 24 hours/365 days.

13.0 WARRANTY:

The Bidder shall warranty that all fine quicklime and calcium hydroxide slurry delivered, by the successful Bidder, is of at least as good a quality as that of the sample submitted with its bid, within accepted analytical tolerance for error in determination.

14.0 BASIS FOR REJECTION:

The City of Houston may reject and refuse delivery of any truckload lot of fine quicklime and calcium hydroxide slurry solution that is not within the specific maximum and minimum limits of the listed parameters as enumerated in the "QUALITY" specification section.

15.0 SHIPPING TERMS:

Prices shall be F.O.B. Destination to the delivery location designated herein or on a purchase order. The Supplier shall retain title and control of all goods until they are delivered and off-loading is completed. All risk of transportation and all related charges shall be the responsibility of the Supplier. The Supplier shall file all claims for visible or concealed damage. The City will notify the Supplier promptly of any damaged goods and shall assist the Supplier in arranging for inspection.

16.0 MATERIALS:

The items furnished shall be the latest product in production to commercial trade, and shall be of the highest quality as to materials used. The Supplier furnishing these items shall be experienced in the production of such items and shall furnish evidence of having supplied similar items, which have been in successful operation. The Bidder shall be an established Supplier of the items bid.